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David Waddell Executive Secretary Tennessee Regulatory Authority 460 James Robertson Parkway Nashville, TN 37243

Re:

Proceeding for the Purpose of Addressing Competitive Effects of Contract Service Arrangements Filed by BellSouth Telecommunications, Inc. in

Tennessee

Docket No. 98-00559

Dear David:

Enclosed for filing is the supplemental response of the Southeastern Competitive Carriers Association to discovery filed by BellSouth Telecommunications, Inc. in the above-captioned proceeding.

These answers are filed in response to the hearing officer's orders of March 24 and June 1, 1999, directing SECCA to provide answers to BellSouth's questions which SECCA did not answer earlier.

Very truly yours,

BOULT, CUMMINGS, CONNERS & BERRY, PLC

Henry Walker

HW/nl Attachment c: All parties BEFORE THE TENNESSEE REGULATORY AUTHORITY

NASHVILLE, TENNESSEE

IN RE:

Proceeding for the Purpose of Addressing Competitive Effects of Contract Service Arrangements Filed by BellSouth Telecommunications, Inc. in Tennessee

Docket No. 98-00559

RESPONSE OF SOUTHEASTERN COMPETITIVE CARRIERS ASSOCIATION TO BELLSOUTH TELECOMMUNICATIONS, INC.'S FIRST DATA REQUESTS

The Southeastern Competitive Carriers Association ("SECCA") submits the following responses to BellSouth Telecommunications, Inc.'s ("BellSouth") first data requests dated September 16, 1998.

1. Identify each person participating in the preparation of the answers to these data requests or supplying information used in connection therewith, and explain with particularity each person's relationship, if any, to SECCA.

RESPONSE: Henry Walker, attorney for SECCA.

2. Identify each member, officer, director, and employee of SECCA.

**RESPONSE:** This information has already been provided to BellSouth.

3. Do you contend that any BellSouth Contract Service Arrangement is anticompetitive or discriminatory?

**RESPONSE:** Yes, SECCA believes that many of BellSouth's CSAs are anticompetitive. SECCA has insufficient information to determine whether BellSouth's CSAs are discriminatory.

4. If the answer to the foregoing request is in the affirmative, for each CSA which you

contend is anticompetitive or discriminatory, please:

(a) identify the CSA by applicable CSA, tariff, or docket number;

**RESPONSE:** SECCA's contention at this time is that the following BellSouth CSAs are

anticompetitive:

(i) all Volume and Term Agreements;

(ii) any CSA in which a particular service is offered below cost;

(iii) any service which is offered at less than the tariffed rate unless

BellSouth can demonstrate that the rate is necessary to meet a bona fide offer from a competing

carrier;

(iv) any CSA containing termination penalties which allow BellSouth to

recover costs not actually incurred by BellSouth.

(b) identify the terms, conditions, or provisions of the CSA which you contend

are anticompetitive or discriminatory, if any;

**RESPONSE:** See response to Question 4(a).

state all facts which support your contention that the CSA or any terms, (c)

conditions, or provisions contained therein are anticompetitive or discriminatory; and

RESPONSE: BellSouth has market power. Therefore the CSAs identified in response to

Question 4(a) are anticompetitive

(d) identify all documents which support your conclusion that the CSA or any

terms, conditions, or provisions contained therein are anticompetitive or discriminatory.

**RESPONSE:** Not applicable.

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5. For those terms, conditions, or provisions in BellSouth's CSAs which you contend are either anticompetitive or discriminatory, do you contend that the same terms, conditions, or provisions would also be anticompetitive or discriminatory if contained in a Special Contract offered by a telecommunications carrier other than BellSouth?

RESPONSE: No.

6. If the answer to the foregoing request is in the negative, please explain fully the basis for your answer.

**RESPONSE:** A CSA is not anticompetitive unless offered by a carrier with market power.

7. Do you contend that any Special Contract offered by a telecommunications carrier other than BellSouth is anticompetitive or discriminatory?

**RESPONSE:** No. A CSA is not anticompetitive unless offered by a carrier with market power.

- 8. If the answer to the foregoing request is in the affirmative, please identify each Special Contract offered by a telecommunications carrier other than BellSouth which you contend is either anticompetitive or discriminatory, including:
  - (a) the effective date of the Special Contract;
  - (b) the telecommunications services provided under the Special Contract; and
- (c) the terms, conditions, or provisions which you contend are anticompetitive or discriminatory.

**RESPONSE:** Not applicable.

9. Do you contend that there are circumstances under which a person subject to a CSA offered by BellSouth or a Special Contract offered by another telecommunications carrier should

pay termination charges in the event the person cancels service orders prior to installation or

terminates the CSA or Special Contract before the term of the agreement has expired?

**RESPONSE:** Yes.

10. If the answer to the foregoing request is in the affirmative, please describe with

particularity:

(a) the circumstances under which you contend a person subject to a CSA or

Special Contract should pay termination charges in the event the person cancels service orders

prior to installation or terminates the CSA or Special Contract before the term of the agreement

has expired:

**RESPONSE:** If the customer cancels service prior to installation, BellSouth may recover

as a termination penalty only installation costs actually incurred by BellSouth. If the customer

cancels service after installation but before the termination of the agreement, BellSouth may

recover only the unrecovered portion of any installation charges.

(b) the type and amount of termination charges which you contend a person

subject to a CSA or Special Contract should pay in the event the person cancels service orders

prior to installation or terminates the CSA or Special Contract before the term of the agreement

has expired.

**RESPONSE:** See response to Question 10 (a).

11. Do you contend that the services provided by BellSouth under Contract Service

Arrangements are not available at the same rate to any similarly situated person who meets the

terms and conditions of the CSA?

**RESPONSE:** SECCA has insufficient information to answer this question.

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- 12. If the answer to the foregoing request is in the affirmative, please:
- (a) state all facts which support your contention that the services provided by BellSouth under Contract Service Arrangements are not available at the same rate to any similarly situated person who meets the terms and conditions of the CSA;
- (b) identify any similarly situated person who meets the terms and conditions of a Contract Service Arrangement who you contend has not been offered a CSA; and
- (c) identify all documents which support your contention that the services provided by BellSouth under Contract Service Arrangements are not available at the same rate to any similarly situated person who meets the terms and conditions of the CSA.

**RESPONSE:** SECCA has insufficient information to answer this question.

13. Since January 1, 1994, have you or any of your members had contact, directly or indirectly, verbally or in writing, with any person complaining, expressing concern, or raising questions about any CSA offered by BellSouth or any Special Contract offered by another telecommunications carrier?

**RESPONSE:** Yes. Henry Walker, counsel for SECCA, has raised concerns with the Consumer Advocate and with other carriers about the anticompetitive impact of BellSouth's CSAs. These conversations did not involve particular CSAs. There is no written documentation of these conversations.

- 14. If the answer to the foregoing request is in the affirmative, please:
- (a) identify each such persons making a complaint, expressing a concern, or raising questions about a CSA or Special Contract;

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a concern was expressed, or a question was raised, including the identity of the carrier involved;

and

(c) identify all documents that refer or relate to such complaints, concerns, or

questions.

**RESPONSE:** See response to Question 13.

15. Describe with particularity the criteria you contend should be considered, if any,

in determining whether a similarly situated person meets the terms and conditions of a CSA

offered by BellSouth or a Special Contract offered by another telecommunications carrier. In

answering this data request, identify any criteria which you contend should apply only to CSAs

offered by BellSouth.

RESPONSE: BellSouth must demonstrate that each service offered in a CSA is priced at

or above cost and that each service offered at less than the tariffed rate is necessary to meet a bona

fide competitive offer.

Such requirements apply only to a carrier with market power.

16. Describe with particularity the procedures you contend should be utilized, if any,

in determining whether a similarly situated person meets the terms and conditions of a CSA

offered by BellSouth or a Special Contract offered by another telecommunications carrier. In

answering this data request, identify any procedures which you contend should apply only to CSAs

offered by BellSouth.

RESPONSE: Each BellSouth CSA filing should include evidence demonstrating that

BellSouth has met the two criteria described in response to Question 15. Any person desiring to

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challenge that evidence may intervene and request that the TRA open a contested case hearing and require BellSouth to demonstrate that the CSA meets the requirements stated above and is otherwise consistent with the public interest.

These procedures should apply only to a carrier with market power.

17. Produce copies of all documents identified in response to these data requests.

**RESPONSE:** Not applicable.

Respectfully submitted,

Henry Walker

Boult, Cummings, Conners & Berry, PLC\

414 Union Street, Suite 1600 Nashville, Tennessee 37219

(615) 252-2363

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## **CERTIFICATE OF SERVICE**

The undersigned certifies that a copy of the foregoing has been hand delivered or mailed to the following persons on this the 22nd day of June, 1999:

Guy M. Hicks BellSouth Telecommunications, Inc. 333 Commerce Street, Suite 2101 Nashville, TN 37201-3300

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